

Corporate Headquarters  
400 McCormick Dr.  
Lapeer, MI 48446  
810.664.1816

March 12, 2019

Talent Investment Agency  
Dislocated Services Section  
Brian Marcotte – Manager  
201 North Washington Square  
5<sup>th</sup> Floor  
Lansing, MI 48913

VIA FACSIMILE (517) 241-9846 AND FIRST-CLASS MAIL

**Subject: Notice of Workforce Reduction**

In accordance with the Worker Adjustment and Retraining Notification Act (WARN), please be notified that Lapeer Industries, Inc. intends to institute layoffs at its facilities located in Lapeer, Michigan. This layoff may be considered a “mass layoff” under the WARN Act. This letter constitutes formal notice of the layoff under The Act.

The reasons the company urgently needs to take these measures are as follows:

- A very large customer program completed in December 2018
- The Company has made attempts to secure the working capital funding needed to keep its operations running. But those attempts have been unsuccessful.
- The Company has also made attempts to secure new business to replace the large program mentioned above. But to date these attempts to secure any follow up revenue have also been unsuccessful.

Due to these unforeseeable business circumstances, Lapeer Industries sees no other choice than to implement this layoff. Therefore, in aggregate the layoffs are expected to affect approximately 160 total employees, and has/will take effect in stages from January 4, 2019 through March 18, 2019. The layoffs are expected to be for an indefinite period of greater than six months. These layoffs potentially could also mean the closing of one or more of our site facilities. But these decisions have not been finalized at the time of this notification.

The company is requesting an exception to the 60-day notice requirement because the company is faltering as a result of the circumstances mentioned above. As mentioned we have been actively seeking capital, but we need to take these measures now to avoid and/or postpone a complete shutdown for a reasonable period or even possibly permanently.

Attached is a listing of job titles of positions that have or will be affected and the number of affected employees in each job classification. None of the impacted positions are represented by a union and no bumping rights exist.

By copy of this letter notice is being provided to the Honorable Mayor William J. Sprague for the City of Lapeer.

For further information, please contact Michael Billings, Chief Financial Officer at Lapeer Industries, Inc. at (810) 664-1816.

Sincerely,



Michael A. Billings  
Chief Financial Officer

Enclosures: Attachment A – List of Positions Affected by Layoffs

CC: William J. Sprague, Mayor of the City of Lapeer

**ATTACHMENT A**

The job titles of the positions to be affected and the number of affected employees in each job classification are as follows:

<b>Job Title / Classification</b>	<b>Number of Employees</b>
Blast Booth Operator	9
Buyer	2
Dir of Quality	1
Driver	1
Estimator	1
Exec VP & GM	1
Fork Lift Operator	4
General Laborer	8
Inventory Control	2
Janitorial	2
Laser Operator	2
Floor Leaders	3
Machine Operators	8
Maintenance	6
Office-Office Admin	4
Paint Shop Operator	22
Plasma Operator	1
Production Control	3
Production Planner	1
Program Director	1
Quality-CMM Oper	1
Quality-Engineer	2
Quality-Inspector	3
Quality-Technician	1
Robot Operator	4
Resource Scheduler	1
Ship/Rec	1
Tool Crib Associate	1
Weld Inspector	5
Welder	59
<b>Total</b>	<b>160</b>